

NATIONAL RECOVERY ADMINISTRATION

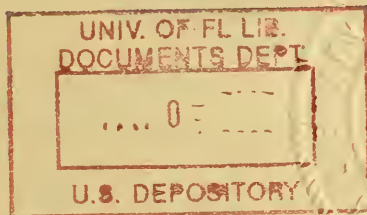
CODE OF FAIR COMPETITION

FOR THE

MOTORCYCLE

MANUFACTURING INDUSTRY

AS APPROVED ON MARCH 17, 1934



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1934

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Approved Code No. 340

CODE OF FAIR COMPETITION
FOR THE
MOTORCYCLE MANUFACTURING INDUSTRY
As Approved on March 17, 1934

ORDER

**APPROVING CODE OF FAIR COMPETITION FOR THE MOTORCYCLE
MANUFACTURING INDUSTRY**

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of a Code of Fair Competition for the Motorcycle Manufacturing Industry, and hearings having been duly held thereon and the annexed report on said Code, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543-A, dated December 30, 1933, and otherwise; do hereby incorporate by reference said annexed report and do find that said Code complies in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act; and do hereby order that said Code of Fair Competition be and it is hereby approved.

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

Approval recommended:

K. M. SIMPSON,
Division Administrator.

WASHINGTON, D.C.,
March 17, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT,

The White House.

SIR: The original Code of Fair Competition for the Motorcycle Manufacturing Industry was submitted on August 24, 1933, by the Motorcycle Manufacturers Association, an unincorporated membership society organized in 1933, representing 100% of the known members of the Industry in volume of production. Several revisions of the Code were made prior to the public hearing held on December 12, 1933. The Code was revised during the recess of this hearing and submitted in its final form for approval. Every person who requested an appearance was properly heard in accordance with statutory and regulatory requirements.

The Motorcycle Industry includes the manufacture of motorcycles, motorcycle parts, accessories, sidecars and trailers.

The Motorcycle Industry today is represented by two known members, both of whom are members of the Motorcycle Manufacturers Association. There were six establishments in the Industry in 1931. Despite, however, the number of establishments which may have been or are now engaged in the Industry, it may be inferred that two establishments represent most of the Industry at the present time, because in 1929 these two establishments sold 88% of all the products of the Industry.

It is, of course, patent, that the Motorcycle Industry, because of its competitive relations with the Automobile Industry, is a relatively declining one. From 1923 to 1929, when the production of the average industry was expanding rapidly, the production of motorcycles declined 25%. The Industry apparently has attempted to meet the competition of the Automobile Industry by improving the quality and performance of its product rather than by producing a cheaper product, as is evidenced by the fact that the value of the average motorcycle changed little during this period.

Since 1929 the Industry has had to face, in addition to an unfavorable competitive situation, the diminution of general purchasing power. As a consequence, sales declined 50% from 1929 to 1931. The two establishments report that there was a further decline of 50% in sales from 1931 to 1933.

In 1929, 2,234 workers were engaged in the Industry. From 1929 to the beginning of 1933 employment declined 68%. It is obvious that the Industry cannot in the near future reemploy all the wage earners engaged in the Industry in 1929. Payrolls of the Industry declined 76% from 1929 to 1932. Average hourly earnings increased 17% under the President's Reemployment Agreement. The proposed minimum wage and equitable adjustments in the pay schedules above the minimum, made in conformity with the customary interpretation, would have increased hourly earnings 30%.

A 7.5% increase in prices would cover a 30% increase in labor costs. Hourly earnings of factory workers declined approximately 23% from June, 1929, to June, 1933. From June, 1933, to October, 1933, during the interim between which the President's Reemployment Agreement for a 40¢ minimum was adopted by the Industry, a 17% increase in hourly earnings was effected. The increase in weekly earnings was greater—25%—due to the greater number of hours worked per week.

ARTICLE I. *Purpose.*—States the purpose of the Code.

ARTICLE II. *Definitions.*—Accurately defines specific terms applicable to the Motorcycle Manufacturing Industry as used in this Code.

ARTICLE III. *Hours.*—The maximum hours are limited to forty hours per week for employees engaged in the processing of products and labor incident thereto, except that during eight weeks in any six month period of a calendar year, in order to meet seasonal peak demands, employees may be permitted to work not more than forty five hours per week and not more than nine hours in any one day. Office, salaried and other employees not covered by the above who receive less than \$35.00 per week, shall not be permitted to work in excess of an average of forty hours in any one week during any five week period, and not to exceed forty-eight hours in any one week. Watchmen shall be permitted to work not more than fifty-six hours in any one week. Employees engaged in an executive, managerial or supervisory capacity who receive not less than \$35.00 per week are not subject to any hourly limitations. The maximum hours shall not apply in cases of emergency repairs or maintenance where the safety of life or health or the protection of property necessitates longer hours. No employee shall be permitted to work more than six days in any seven day period.

ARTICLE IV. *Wages.*—The minimum wage for employees engaged in the processing of products or any labor incident thereto is at the rate of forty cents per hour for any pay period. Female employees shall be paid the same rate of pay as male employees for doing the same work or performing the same duties. No person employed in clerical or office work shall be paid less than at the rate of \$15.00 per week except that office boys and girls may be paid a minimum of 80% of the established minimum for office employees. The established minimum rate of pay for work performed in any period shall apply irrespective of whether any employee is actually compensated on a time rate, piece work or other basis. Provision is made for the employing of handicapped persons who shall be paid not less than 80% of the minimum wage scale. Provision is also made for the adjustment of wages above the minimum fixed in this Code if such has not been made since July 1st, 1933.

ARTICLE V. *General Labor Provisions.*—Provides that no employer shall employ any person under 16 years of age and that no person under 18 years of age shall be employed at operations or occupations which are hazardous in nature or dangerous to health. This Article also sets forth the mandatory provision respecting the rights of employees to organize and bargain collectively. It also provides for matters having to do with reclassification of employees, standards for safety and health, the observance of State laws and the

posting of complete copies of the code so that they are accessible to employees.

ARTICLE VI. *Administration*.—Establishes a Code Authority which shall consist of the Board of Directors of the Motorcycle Manufacturers Association to be elected by a fair method of selection so as to be truly representative of the Industry, subject to the approval of the Administrator. In addition to the Board of Directors named above there may be one or three representatives, without vote, and without expense to the Industry, to be appointed by the Administrator for such terms as he may specify. In addition to the organization of the Code Authority, the powers and duties thereof are also outlined in this Article.

ARTICLE VII. *Marketing and Trade Practice Rules*.—Sets forth Trade Practices for the Industry.

ARTICLE VIII. *Export Trade*.—No provision of this Code relating to prices or terms of selling, shipping or marketing, shall apply to export trade or sales or shipments for export trade.

ARTICLE IX. *Modification*.—This Code and all the provisions thereof are expressly made subject to the right of the President in accordance with Sub-Section (b) of Section 10 of the Act, to cancel or modify any order, approval, license, rule or regulation issued under said Act.

ARTICLE X. *Monopolies*.—No provision of this Code shall be so applied as to permit monopolies or monopolistic practices, or to eliminate, oppress or discriminate against small enterprises.

ARTICLE XI. *Price Increases*.—This Article indicates that the increase in selling price, so far as possible, will be limited to actual additional increases in seller's costs.

ARTICLE XII. *Effective date*.—This Code shall become effective beginning ten days after its approval by the Administrator.

The Deputy Administrator in his final report to me on this Code having found as herein set forth and on the basis of all the proceedings in this matter, I find that:

(a) The Code will promote the policies and purposes of Title I of the Act, including removal of obstructions of the free flow of interstate and foreign commerce which tend to diminish the amount thereof and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among the trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanctions and supervisions, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and otherwise rehabilitating industry.

(b) Said industry normally employs less than 50,000 employees; and is not classified by me as a major industry.

(c) The Code as revised complies in all respects with the pertinent provisions of Title I of the Act, including without limitation sub-section (a) of Section 3, sub-section (a) of Section 7, and sub-section (b) of Section 10 thereof; and that the Motorcycle Manufacturers

Association was and is an industrial group truly representative of the industry; and that said association imposed and imposes no inequitable restrictions on admission to membership therein.

(d) The Code is not designed to and will not permit monopolies or monopolistic practices.

(e) The Code is not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said Code.

For these reasons, therefore, this Code has been approved.

Respectfully,

HUGH S. JOHNSON,
Administrator.

MARCH 17, 1934.

CODE OF FAIR COMPETITION FOR THE MOTORCYCLE MANUFACTURING INDUSTRY

ARTICLE I—PURPOSES

To effectuate the policies of Title I of the National Industrial Recovery Act, this Code is established as a Code of Fair Competition for the Motorcycle Manufacturing Industry and its provisions are the standards of fair competition for such industry and are binding upon every member thereof.

ARTICLE II—DEFINITIONS

Wherever used in this Code, or any supplement appertaining thereto, the terms enumerated in this Article shall have the meanings herein defined unless the context shall otherwise clearly indicate.

SECTION 1. The term "President" as used herein shall mean the President of the United States.

SECTION 2. The term "Act" as used herein shall mean the National Industrial Recovery Act.

SECTION 3. The term "Administrator" as used herein shall mean the Administrator for Industrial Recovery under Title I of said Act.

SECTION 4. The term "Motorcycle Manufacturing Industry" or "Industry" as used herein means the manufacture of motorcycles, replacement parts, accessories and other products which are used in connection with the manufacture or maintenance of motorcycles, including motorcycles as used for any and all purposes, motorcycle sidecars, motorcycle trailers and other vehicles of like nature.

SECTION 5. The term "Member of the Industry" includes anyone engaged in the Industry, either as an employer or on his or its own behalf.

SECTION 6. The term "Employee" as used herein means and includes anyone engaged in the Industry in any capacity receiving compensation for his services irrespective of the nature or method of payment of such compensation, except a member of the Industry.

SECTION 7. The term "Employer" as used herein includes anyone by whom any such employee is employed or compensated.

SECTION 8. The term "Apprentice" as used herein means an individual (usually a minor), bound by indenture executed in compliance with the laws of the state where the service provided for therein is to be performed to serve an employer for a term of years at a predetermined wage for the period of the indenture in order to learn a trade, art or craft.

ARTICLE III—HOURS

SECTION 1. *Maximum Hours.*—No employee shall be permitted to work in excess of forty (40) hours in any one week or eight (8) hours in any twenty-four (24) hour period, except as herein otherwise provided. A normal work day shall not exceed eight (8) hours.

SECTION 2. *Hours for Clerical and Office Employees.*—No person employed in clerical or office work shall be permitted to work in excess of an average of forty (40) hours per week during any five (5) weeks period nor in excess of forty-eight (48) hours in any one week. A normal work day shall not exceed eight (8) hours.

SECTION 3. *Exceptions as to Hours.*—The limitation as to hours of labor as specified in Sections 1, 2 and 4 of this Article III shall not apply to the following:

(a) To production employees, mechanical workers or artisans in this Industry, who shall not be employed in excess of forty (40) hours in any one week nor more than eight (8) hours in any twenty-four (24) hour period; provided, however, that during any period in which a concentrated demand upon any division of the Industry shall place an unusual and temporary burden for production work upon its facilities or in which it is necessary to meet peak seasonal requirements or emergencies, but in no event during more than eight (8) weeks in any six (6) month period, such employee of such division may be permitted to work not more than forty five (45) hours in any one week, and not more than nine (9) hours in any twenty four (24) hour period.

(b) To employees engaged in emergency maintenance, or emergency repair work, involving breakdown or protection of life or property, provided that in such special cases at least one and one half times the normal wage rate for any employee so employed shall be paid for all hours worked in excess of forty (40) hours in any one week; provided that this overtime provision shall not apply in case of catastrophes involving loss of life. Such special cases, however, shall be reported to the Code Authority.

(c) To outside sales or sales service men; nor to persons in a managerial, executive or supervisory capacity who receive not less than \$35.00 per week.

(d) To watchmen, who shall be permitted to work not more than fifty-six (56) hours in any one week.

(e) There may be a tolerance of 10% additional hours over the forty (40) hours in any one week for employees engaged in the preparation, care and maintenance of machinery and production facilities, and for stock and shipping clerks and truckmen engaged in outside delivery and pick-up service.

SECTION 4. *Standard Week.*—No employee shall be permitted to work more than six (6) days in any seven (7) day period.

SECTION 5. *Employment by Several Employers.*—No employer shall knowingly permit any employee to work for any time, which, when totalled with that already performed with another employer or employers exceeds the maximum permitted herein.

ARTICLE IV—WAGES

SECTION 1. *Minimum Wages.*—On and after the effective date, no employee shall be paid in any pay period less than at the rate of forty (40) cents per hour, except as herein otherwise provided.

SECTION 2. *Piecework Compensation.*—Minimum Wages.

The established minimum rate of pay for the work performed in any pay period shall apply irrespective of whether an employee is actually compensated on time rate, piece work, or other basis.

SECTION 3. Within sixty (60) days from the date of approval of this Code, an adjustment of wages above the minimum provided in this Code shall be made by the members of Industry who have not heretofore made such adjustment. Such adjustment shall mean that differentials in compensation between employees receiving the minimum wage and employees above the minimum existing prior to the date of approval of this Code shall be maintained; provided, however, that in no event shall rates of pay be reduced. Each member of the Industry shall make a report of such adjustment whether made prior to or subsequent to the date of approval of this Code to the Code Authority.

SECTION 4. *Female Employees.*—Female employees performing substantially the same work as male employees shall receive the same rate of pay as male employees.

SECTION 5. *Handicapped Persons.*—A person whose earning capacity is limited because of age or physical or mental handicap may be employed on light work at a wage not below 80% of the minimum established by this Code, if the employer obtains from the State Department of Labor a certificate authorizing his employment at such wages and for such hours as shall be stated in the certificate. Each employer shall file with the Code Authority a list of all such persons employed by him. Such handicapped persons shall not constitute more than 5% of the total number of employees of any one employer.

SECTION 6. *Minimum Wage For Clerical and Office Employees.*—No accounting, clerical, office, sales or service employees working on a weekly basis in any office shall be paid less than at the rate of fifteen (\$15.00) dollars per week; provided, however, that office boys and girls and messengers may be paid at a rate not less than 80% of such minimum, and provided further that the number of such boys and girls and messengers so paid shall constitute not more than 5% of the total number of such employees of any one establishment of any one employer, but in any case such employer shall be entitled to at least two such employees.

SECTION 7. *Apprentices.*—Employment of apprentices at rates of compensation below the minimum provided herein shall be permitted where they are apprenticed to an employer by an indenture made pursuant to the laws of the state in which such service is to be performed, under any apprentice system established and maintained by such employer, provided such indenture agreements are filed with the Code Authority. Employers shall not be allowed to have apprentices in number exceeding 5% of the total number of skilled craftsmen of their special class, except that each employer shall be entitled to employ at least one such employee. In no case shall an apprentice be paid less than the minimum wage provided in Section 1 of Article IV in states which do not have laws governing apprentices.

ARTICLE V—GENERAL LABOR PROVISIONS

SECTION 1. *Child Labor.*—No person under sixteen (16) years of age shall be employed in the Industry. No person under eighteen (18) years of age shall be employed at operations or occupations which are hazardous in nature or dangerous to health. The Code

Authority shall submit to the Administrator within sixty (60) days after the effective date of this Code a list of such operations or occupations. In any state, an employer shall be deemed to have complied with this requirement if he has on file a certificate or permit duly signed by the Authority in such state empowered to issue employment or age certificates or permits showing that the employee is of the required age.

SECTION 2. *Provisions from the Act.*—(a) Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint or coercion of employers of labor, or their agents, in the designation of such representatives, or in self-organization, or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(b) No employee and no one seeking employment shall be required as a condition of employment, to join any company union or to refrain from joining, organizing or assisting a labor organization of his own choosing.

(c) Employers shall comply with the maximum hours of labor, minimum rates of pay and other conditions of employment approved or prescribed by the President.

SECTION 3. *Reclassification of Employees.*—No employer shall reclassify employees or duties of occupations performed or engage in any other subterfuge for the purpose of defeating the purposes or provisions of the Act or of this Code.

SECTION 4. *Standards for Safety and Health.*—Every employer shall make reasonable provision for the safety and health of his employees at the place and during the hours of their employment. Standards of safety and health for the Industry shall be submitted to the Administrator within six (6) months after approval of this Code.

SECTION 5. *State Laws.*—No provision in this Code shall supersede any State or Federal Law which imposes on employers more stringent requirements as to age of employees, wages, hours of work, or as to safety, health, sanitary or general working conditions, or insurance or fire protection, than are imposed by this Code.

SECTION 6. *Posting.*—All employers shall keep posted complete copies of this Code and any amendments thereto in conspicuous places accessible to employees.

ARTICLE VI—ORGANIZATION, POWERS AND DUTIES OF THE CODE AUTHORITY

SECTION 1. *Organization and Constitution.*—A Code Authority to administer this Code is hereby established and shall consist of the Board of Directors of the Motorcycle Manufacturers Association, which shall be truly representative of the various interests of the Industry. This Code Authority shall make investigations as to the functioning and observance of any provisions of this Code at its own instance or upon complaint of any person affected and shall report the same to the Administrator.

SECTION 2. In addition to the above membership there may be one and not more than three members, without vote, and without expense

to the Industry, appointed by the Administrator as he may specify to serve for six month or twelve month terms from the date of appointment.

SECTION 3. Each trade or industrial association directly or indirectly participating in the selection or activities of the Code Authority shall, (1) impose no inequitable restrictions on membership and, (2) submit to the Administrator true copies of its Articles of Association, By-Laws, Rules and Regulations and any amendment when made thereto, together with such information as to membership, organization and activities as the Administrator may deem necessary to effectuate the purposes of the Act.

SECTION 4. In order that the Code Authority shall at all times be truly representative of the Industry and in other respects comply with the provisions of the Act, the Administrator may prescribe such hearings as he may deem proper, and thereafter if he shall find that the Code Authority is not truly representative or does not in other respects comply with the provisions of the Act, may require an appropriate modification in the method of selection of the Code Authority.

SECTION 5. Members of the Industry shall be entitled to participate in and share the benefits of the activities of the Code Authority and to participate in the selection of the members thereof by assenting to and complying with the requirements of this Code and sustaining their reasonable share of the expenses of its administration. Such reasonable share of the expenses of administration shall be determined by the Code Authority, subject to review by the Administrator, on the basis of volume of business and/or such other factors as may be deemed equitable.

SECTION 6. Nothing contained in this Code shall constitute the members of the Code Authority partners for any purpose. Nor shall this Code be construed to impose upon any member of the Code Authority any liability in any manner to anyone for an act of any other member, officer, agent or employee of the Code Authority. Nor shall this Code be construed to impose upon any member of the Code Authority exercising reasonable diligence in the conduct of his duties hereunder, liability to anyone for any act or omission to act under this Code, except for his own willful misfeasance or non-feasance.

SECTION 7. *Powers and Duties.*—Subject to such rules and regulations as may be issued by the Administrator, the Code Authority shall have the following further powers and duties, the exercise of which shall be reported to the Administrator and shall be subject to his right, on review, to disapprove any action taken by the Code Authority. If the Administrator shall determine that any action of a Code Authority or any agency thereof may be unfair or unjust or contrary to the public interest, the Administrator may require that such action be suspended to afford an opportunity for investigation of the merits of such action and further consideration by such Code Authority or agency pending final action which shall not be effective unless the Administrator approves or unless he shall fail to disapprove after thirty days' notice to him of intention to proceed with such action in its original or modified form.

(a) To insure the execution of the provisions of this Code, and provide for the compliance of the Industry with the provisions of the Act.

(b) To adopt By-Laws, Rules and Regulations for its procedure and for the administration and enforcement of the Code. The Code Authority shall promptly report to the Administrator any By-Laws, Rules or Regulations adopted pursuant to this paragraph.

(c) To obtain from members of the Industry such information and reports as are required for the administration of the Code, and to provide for submission by members of such information and reports as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the Act, which information and reports shall be submitted by members to such administrative and/or governmental agencies as the Administrator may designate, provided that nothing in this Code shall relieve any member of the Industry of any existing obligations to furnish reports to any governmental agency. No individual report shall be disclosed to any other member of the Industry, or any other party except to such governmental agencies as may be directed by the Administrator. In addition to information required to be submitted to the Code Authority, there shall be furnished to governmental agencies such statistical information as the Administrator may deem necessary for the purpose recited in Section 3 (a) of the National Industrial Recovery Act.

(d) To use such trade associations and other agencies as it deems proper for the carrying out of any of its activities provided for herein, provided that nothing herein shall relieve the Code Authority of its duties or responsibilities under this Code and that such trade associations and agencies shall at all times be subject to and comply with the provisions hereof.

(e) To make recommendations to the Administrator for the coordination of the administration of this Code with such other Codes, if any, as may be related to the Industry.

(f) To cooperate with the Administrator in regulating the use of any N.R.A. insignia solely by those members of the Industry who have assented to, and are complying with this Code.

(g) To recommend to the Administrator further fair trade practice provisions to govern members of the Industry in their relations with each other or with other industries and to recommend to the Administrator measures for industrial planning and production control, including stabilization of employment.

ARTICLE VII—TRADE PRACTICE RULES

The following trade practices are declared to constitute unfair methods of competition between members of the Industry, and no member of the Industry shall use any of them, either directly or indirectly, through any officer, agent, or employee. The violation of any one or more of these, together with such other trade practice provisions which may be recommended to the Administrator and approved by him after such notice and hearings as he may prescribe, shall constitute a violation of this Code.

1. No member of the Industry shall publish advertising (whether printed, radio, display, or of any other nature), which is misleading

or inaccurate in any material particular, nor shall any member in any way misrepresent any goods (including but without limitation its use, trade-mark, grade, quality, origin, size, substance, character, nature, finish, material, content or preparation) or credit terms, values, policies, services, or the nature or form of the business conducted.

2. No member of the Industry shall knowingly withhold from or insert in any quotation or invoice any statement that makes it inaccurate in any material particular.

3. No member of the Industry shall brand or mark or pack any goods in any manner which is intended to or does deceive or mislead purchasers with respect to such goods (including, but without limitation, the brand, grade, quality, quantity, origin, size, substance, character, nature, finish, material, content or preparation of such goods).

4. No member of the Industry shall publish advertising which refers inaccurately in any material particular to any competitors or their goods, prices, values, credit terms, policies or services.

5. No member of the Industry shall publish or circulate unjustified or unwarranted threats of legal proceedings which tend to or have the effect of harassing competitors or intimidating their customers. Failure to prosecute in due course shall be evidence that any such threat is unwarranted or unjustified.

6. No member of the Industry shall secretly directly offer or make any payment or allowance of a rebate, refund, commission, credit, unearned discount or excess allowance, whether in the form of money or otherwise, nor shall a member of the Industry secretly offer or extend to any customer any special service or privilege not extended to all customers of the same class, for the purpose of influencing a sale.

7. No member of the Industry shall give, permit to be given, or directly offer to give, anything of value for the purpose of influencing or rewarding the action of any employee, agent or representative of another in relation to the business of the employer of such employee, the principal of such agent or the represented party, without the knowledge of such employer, principal or party. This commercial bribery provision shall not be construed to prohibit free and general distribution of articles commonly used for advertising, except so far as such articles are actually used for commercial bribery as hereinabove defined.

8. No member of the Industry shall attempt to induce the breach of an existing contract between a competitor and his customer or source of supply; nor shall any such member interfere with or obstruct the performance of such contractual duties or services.

9. No member of the Industry shall require that the purchase or lease of any goods be a prerequisite to the purchase or lease of any other goods.

ARTICLE VIII—EXPORT TRADE

SECTION 1. No provision of this Code relating to prices or terms of selling, shipping or marketing, shall apply to export trade or sales or shipments for export trade.

ARTICLE IX—MODIFICATION

SECTION 1. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of Sub-section (b) of Section 10, Title I of the Act, from time to time to cancel or modify any order, approval, license, rule or regulation issued under Title I of said Act, and specifically, but without limitation, to the right of the President, to cancel or modify his approval of this Code or of any conditions imposed by him upon such approval.

SECTION 2. This Code, except as to provisions required by the Act, may be modified on the basis of experience or changes in circumstances. The Code Authority may propose such modifications, and, upon approval thereof by the Administrator, after such notice and hearing as he may prescribe, the same shall become effective as a part of this Code.

ARTICLE X—MONOPOLIES

No provision of this Code shall be so applied as to promote monopolies or monopolistic practices, or to eliminate, oppress, or discriminate against small enterprises.

ARTICLE XI—PRICE INCREASES

Whereas the policy of the Act to increase real purchasing power will be made more difficult of consummation if prices of goods and services increase as rapidly as wages, it is recognized that price increases except such as may be required to meet individual cost should be delayed, but when made such increases should, so far as possible, be limited to actual additional increases in the seller's costs.

ARTICLE XII—EFFECTIVE DATE

This Code shall become effective beginning ten days after its approval by the Administrator.

Approved Code No. 340.
Registry No. 1412-02.



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